

December 2, 2008

Mr. Randy Bates
Director, Division of Coastal and Ocean Management
Alaska Department of Natural Resources
P.O. Box 110030
M/S 1030
Juneau, Alaska 99811-1030

Re: <u>ACMP Re-evaluation; Regulations Review</u>

Dear Mr. Bates:

The purpose of this letter is, first, to express Sealaska's admiration for the dedication and resources that you and your DCOM crew have invested in the ACMP re-evaluation process. The magnitude and significance of the Division's effort are, in fact, so sweeping that we are compelled to seek a clarification. That this the second purpose of this letter.

On November 24, DCOM released a complicated statutory proposal that would materially restructure the ACMP program. At the same time, it released 105 pages of proposed changes to the ACMP regulations. The changes are complicated, pervasive and very significant.

With their release, DCOM established a 30-day public notice period that spans Thanksgiving and the week before Christmas. Our need for clarification is this: does DCOM intend this 30-day public notice period to constitute the formal public notice process required by the Administrative Procedures Act (the "APA")? Intuitively, it seems that the answer is "no," since: (i) there is currently no statutory authority for many of the most significant suggested regulatory changes; and (ii) the notice does not purport to initiate the APA review process. Nonetheless, because so much is at stake here, we thought it prudent to avoid any possible misunderstanding.

The clarification is important because there is simply no realistic possibility that Sealaska will be able to make informed comments on the regulations by December 23. Between now and then, Sealaska will be focusing instead on the proposed statutory changes, and we would hope that we will not be prejudiced in our future participation by taking this sequential approach.

Indeed, we would respectfully suggest that DCOM itself might profit by focusing its energies on the legislation over the next few months. While the draft regulations provide a very useful window into what the ACMP program *might* resemble if the proposed legislation is enacted, the uncertainties of the legislative process make any more serious investment in the regulations at this point a bit premature.

We would welcome a response at your earliest convenience; and, in the interim, Sealaska, by necessity, will be following the sequential process we've described above.

Thank you in advance for the attention that I know you will give this matter.

Sincerely,

SEALASKA CORPORATION

Kanalu R. Molde Ronald R. Wolfe

Natural Resource Manager

cc: The Hon. Tom Irwin

Deputy Commissioner Marty Rutherford

Ms. Marilyn Crockett

Mr. Steve Borrell

Mr. Robert Loeffler

Ms. Karen Wuestenfeld

Mr. Bill Jeffress

Mr. Bruce Anders

Ms. Kara Moriarty